1   Adopt 2 Cal. Code Regs. Section 18537.1:

2   **18537.1. Carry Over of Contributions. [OPTION C]**

3   For purposes of Government Code section 85317, "carry over" refers to the

4   transfers of funds between a candidate's own controlled committees without formal

5   attribution as provided by Government Code section 85306(a). "Carry over" is only

6   allowed under the following circumstances:

7   (a) Contributions raised by a candidate in connection with any election to elective

8   state office may be carried over and deposited into a campaign bank account established

9   for re-election of that candidate to the same elective state office and may be used for

10   campaign expenditures incurred in connection with that subsequent election. Funds

11   carried over are not subject to the attribution provided by Government Code section

12   85306(a).

13   [**Decisionpoint 1:** (b) A candidate for elective state office may not carry over

14   contributions pursuant to subdivision (a) of this regulation until all net debt for the prior

15   election is extinguished. Funds left over after the extinguishing of net debt may then be

16   carried over pursuant to subdivision (a).]

17   [**Decisionpoint 2:** (c) Contributions for an election to elective state office may

18   not be accepted by a candidate for elective state office after the date of the election,

19   except as permitted by Government Code sections 85316 and 85321, and California

20   Code of Regulations, Title 2, section 18536.1.]

21   [**Decisionpoint 3:** (d) Upon payment of debt pursuant to Government Code

22   section 85316 and California Code of Regulations, Title 2, section 18536.1, or the carry

23   over of remaining funds pursuant to Government Code section 85317, campaign

1   committees and bank accounts for the prior election will be terminated pursuant to

2   Government Code section 84214 and California Code of Regulations, Title 2, sections

3   18404 and 18404.1.]

4   NOTE: Authority cited: Section 83112, Government Code.
5   Reference: Sections 84214, 85316 and 85317, Government Code.